

## Pratt County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/12/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 18 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Pratt County economy.<sup>1</sup>

These 18 sectors have a total direct output of approximately **\$262.5 million** and support **837 jobs** in Pratt County. Running the model for all 18 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Pratt County Economy						
Impact Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	Output % of Gross Regional Product
Direct Effect	836.7	11.22%	\$54,620,947	11.62%	\$262,526,829	55.84%
Indirect Effect	478.0	6.41%	\$28,840,122	6.13%	\$52,204,155	11.10%
Induced Effect	293.5	3.94%	\$20,708,846	4.41%	\$35,838,047	7.62%
Total Effect	1608.2	21.56%	\$104,169,915	22.16%	\$350,569,031	74.57%

As shown in the above table, agriculture, food, and food processing sectors support **1,608 jobs**, or **21.56%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$350.6 million**, roughly **74.57%** of the economy.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 18 agriculture, food, and food processing sectors is approximately **\$104.2 million**, or **22.16% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **22.16% of the total economy**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting:

[http://www.implan.com/index.php?option=com\\_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70](http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70)

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **392 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Pratt County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	391.8	\$77,330,524
Support activities for agriculture and forestry	193.0	\$8,894,789
Grain farming	146.4	\$84,971,559
Landscape and horticultural services	96.0	\$3,824,422
Wholesale trade	67.4	\$13,161,770
Real estate	59.6	\$5,482,362
Farm machinery and equipment manufacturing	45.6	\$21,547,849
Truck transportation	38.1	\$5,649,833
Animal production, except cattle and poultry and eggs	29.8	\$5,158,222
Limited-service restaurants	28.7	\$2,071,340

The grain farming sector directly contributes approximately **\$85.0 million** to the Pratt County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Grain farming	146.4	\$84,971,559
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	391.8	\$77,330,524
Other animal food manufacturing	26.0	\$34,149,769
Oilseed farming	14.1	\$22,281,794
Farm machinery and equipment manufacturing	45.6	\$21,547,849
Wholesale trade	67.4	\$13,161,770
Support activities for agriculture and forestry	193.0	\$8,894,789
Owner-occupied dwellings	0.0	\$6,805,641
Truck transportation	38.1	\$5,649,833
Cotton farming	24.3	\$5,524,374

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Pratt County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	14.1	\$22,281,793.96
Grain farming	146.4	\$84,971,559.03
Vegetable and melon farming	1.7	\$294,589.94
Fruit farming	1.0	\$77,096.11
Tree nut farming	0.0	\$21.74
Cotton farming	24.3	\$5,524,373.62
All other crop farming	17.1	\$2,001,023.33
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	391.8	\$77,330,524.21
Poultry and egg production	2.0	\$1,563,201.86
Animal production, except cattle and poultry and eggs	29.8	\$5,158,221.96
Commercial logging	2.3	\$103,503.45
Commercial hunting and trapping	4.7	\$94,511.93
Other animal food manufacturing	26.0	\$34,149,769.28
Bread and bakery product, except frozen, manufacturing	8.2	\$1,095,719.69
Frozen cakes and other pastries manufacturing	0.5	\$83,448.69
Farm machinery and equipment manufacturing	45.6	\$21,547,849.19
Veterinary services	25.3	\$2,425,198.67
Landscape and horticultural services	96.0	\$3,824,422.23

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Pratt County, the retail sector was omitted.